

A photograph of a Space Shuttle launching from the Kennedy Space Center. The shuttle is ascending vertically, leaving a massive, bright orange and white plume of smoke and fire. The launch is taking place over a body of water, which reflects the intense light from the engines. In the foreground, there are dark silhouettes of trees and a fence. The sky is a clear blue with some wispy clouds.

# **Preparing for Change: Strategic Lessons from the Space Coast and its Largest Employer**

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# NASA

Source: Encarta World English Dictionary

Pronounced: [násse](#) (not NASSAU\*)

NOUN

**Definition: 1. U.S. space agency:** the U.S. government agency responsible for nonmilitary programs in the exploration and scientific study of space.

*Full form* National Aeronautics and Space Administration





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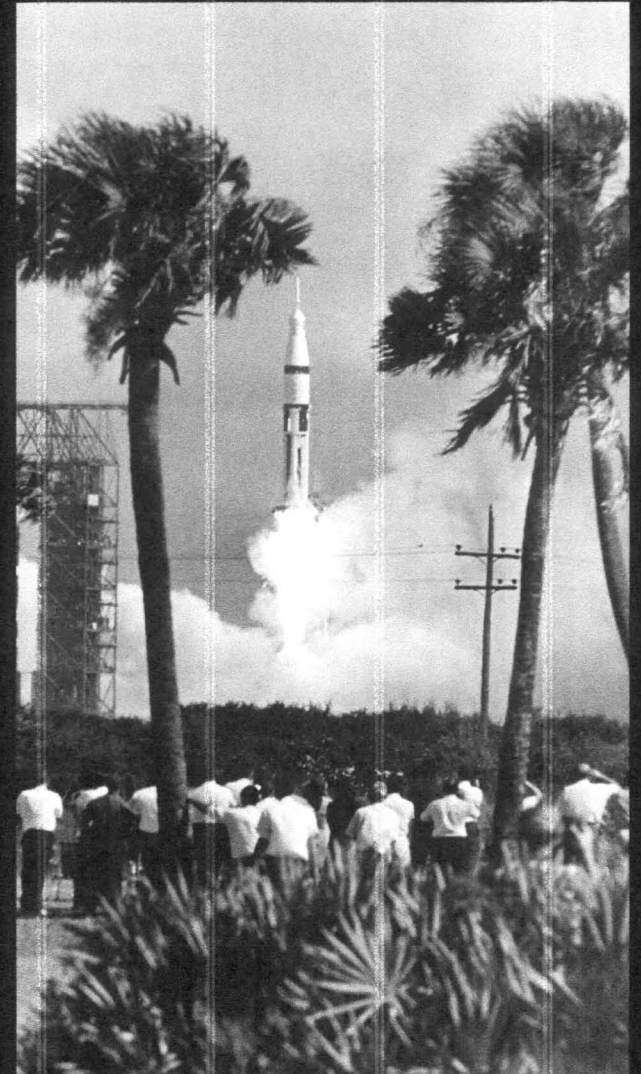
# NASA's History

- Established by the National Aeronautics and Space Act on July 29, 1958 and became operational on October 1, 1958.
- An Executive Branch agency of the United States government responsible for the nation's civilian space program and aeronautics (technology, business and other aspects related to aircraft) and aerospace (the atmosphere of Earth and surrounding space) research
- Our mission is to pioneer the future in space exploration, scientific discovery and aeronautics research
- Led efforts for space exploration since its establishment, and has been recognized for generations of accomplishments in space:
  - Mercury, Gemini and Apollo
  - International Space Station
  - Space Shuttle



# Kennedy Space Center

- Established in July 1962 as NASA's Launch Operations Center
- Renamed in late 1963 to honor the president who put America on the path to the moon
- Has served as the departure gate for every American manned mission and hundreds of advanced scientific spacecraft
- 144K acre wildlife preserve
- Florida's fourth most popular attraction for visitors to the state with more than 42 million visitors
- In 1968 at the height of Apollo, 25,000 employees worked at KSC
- As of January 2009, 15,000 employees worked at KSC





# The Space Coast Landscape

- Labor force
  - Variety of occupations
  - Largest industry: professional and business services, employing 37,300 people, with 40% of these individuals employed at NASA's Kennedy Space Center
  - Others in top five: Education and health services, government, retail trade and manufacturing
  - 61.5 engineers per 1,000 residents (highest in Florida; one of highest concentrations in the Nation)
- Economic impact of Kennedy Space Center
  - Over \$4 billion into the local economy
  - More than half in income for 40K direct and indirect jobs created by NASA's programs





# The Landscape continued...

- Employment
  - Significant rise in unemployment, outpacing the rate in the rest of the state as well as the overall rate in the United States
  - 11.4% in 2009 (National Average - 9.5%)
  - Currently 11.6%
  - May climb to as high as 15% after the Shuttle is retired
  - Historical comparison: (1975) post-Apollo unemployment rate was 14.7%
  - Although significant, impact less than post-Apollo
    - Current projected job losses less than post Apollo
    - Apollo-era workforce accounted for greater % of county employees
    - More KSC workers eligible for retirement
    - Region is more economically diverse





# The Future

- Long-term goal: Expand permanent human presence beyond LEO and involve international partners where practical
- Key objectives for human expansion into space are:
  - Sustain capability for long-duration presence in low-Earth orbit
  - Determine if humans can live for long periods in space with decreasing reliance on Earth
  - Advance knowledge of the universe, support national and economic security and inspire young people's education
  - Build upon cooperative framework of International Space Station partnership
- Critical components:
  - Transform to premier 21<sup>st</sup> Century Space Launch Complex
  - Heavy-lift vehicle (70-100 ton payload to LEO and integrated Earth departure upper stage to carry 130 tons or more)
  - Multipurpose crew module (primary crew transportation for missions beyond low Earth orbit)





# Space Coast and Regional Impact

- Near-term:
  - Proposed Launch-on-Need shuttle mission (O/A June 2011)
  - Continued Kennedy Space Center (KSC) contractor workforce reductions (approximately 7,500 total)
  - Partnership development
    - Launch vehicle processing
    - Technology, facility and capability utilization
    - ISS research
- Longer-term (proposed, pending 2011 appropriations bill)
  - Extension of ISS through at least 2020 and enhanced utilization
  - 21st century launch complex upgrades at KSC
  - Support commercially-developed crew transportation systems
  - Develop a multipurpose crew vehicle for missions beyond low Earth orbit
  - Acquire/sustain workforce to enable continued success





# Key to Our Continued Success: Partnership

- Internal Partnerships
  - Shuttle Program and contractor leadership
  - Human Resources Council
  - Innovative Partnerships Program
  - Space Shuttle Transition Liaison Office
- External Partnerships
  - KSC Business Development Office
  - Brevard Workforce
  - Space Florida
  - Employers/Entrepreneurs
  - President's Task Force Members
  - U.S. Office of Personnel Management

*If we are together  
nothing is impossible.  
If we are divided  
all will fail.*  
--Winston Churchill





# Internal Partnerships

- KSC Shuttle Workforce Council
  - FOCUS: Communication, skill/attrition risk analysis and mitigation, employee transition, celebration of accomplishments
- KSC HR Directors'/EAP Council
  - FOCUS: Address common challenges and monitor "pulse of workforce"
- Shuttle Transition Liaison Office
  - FOCUS: Coordinate NASA resources to provide assistance to community and transitioning employees (NASA 2008 Authorization Act)
- How we do it:
  - Use in-house (HR and EAP) and community (Brevard Workforce, SSA, SBA, HUD, Consumer Credit Counsel, United Way) services to support job search/career transition preparation and training, and connections with community resources
- Why is it so important:
  - To ensure safe processing through Shuttle fly-out
  - Reciprocate commitment to employees
  - Retain skills for future work



# External Partnerships

- KSC Business Development Office
  - Space Florida
  - Brevard Workforce
  - Established companies/Entrepreneurs
  - President's Task Force Members
  - U. S. Office of Personnel Management (OPM)
- FOCUS: Mitigate the negative effects of projected loss of 7,000 to 9,000 direct and an additional 12,000 to 16,000 indirect jobs through
    - Near-term job creation
    - Economic diversification

(source: May 03, 2010 Presidential Memoranda-- Task Force on Space Industry Workforce and Economic Development)





# External Partnerships continued...

- How we do it:
  - Opened KSC Business Development Office ([www.nasa.gov/centers/kennedy/business/index.html](http://www.nasa.gov/centers/kennedy/business/index.html)) to provide private industry with the maximum opportunity to do business with KSC
  - Partnered with Florida Power and Light
    - “Green Initiatives” - utilization of KSC property to construct two renewable energy (photovoltaic solar powered) facilities
  - Collaborating with Space Florida to support aerospace and other regional economic development initiatives
  - Working with employers and entrepreneurs to find employment opportunities for aerospace employees and opportunities to partner for technology development
  - President’s Task Force
    - Host an Office of Personnel Management (OPM) sponsored Federal government job fair for the highly skilled displaced workers
    - Launch a new Federal Aviation Administration (FAA) Commercial Spaceflight Technical Center







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# Lessons Learned – Decision Making

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#1 – Make and communicate decisions game-changing decisions as early as possible

- Develop alternate strategies -- What will we do if....?
- Engage stakeholders throughout the transition process
  - Stay connected
- Develop an impact mitigation strategy (consider near and long-term needs for your most important assets)

HR Role –

- Ensure retention of critical skills and knowledge transfer
  - Cross-training/retraining to enhance employee skills and likelihood of success of future programs
  - Retention/attrition incentives
  - Short-term staffing resources (retirees, staffing service companies)
- Facilitate two-way communication

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# Lessons Learned - Branding

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## #2 - Branding is critical

- Private sector
  - one of the ways a company can build a reputation and a presence among potential customers
  - usually comprised of a name, a logo and sometimes a symbol - visual markers that differentiate the company from it's competitors
  - remind people of the company's reputation (a promise to customers that a specific level of value, quality, and service will be received)
- Public sector
  - Key differences: Funded by tax-payer dollars and lower degree of control due to reporting structures and bureaucracy

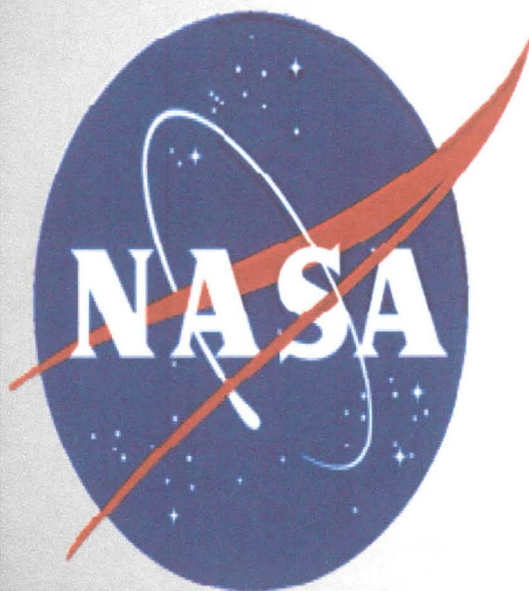




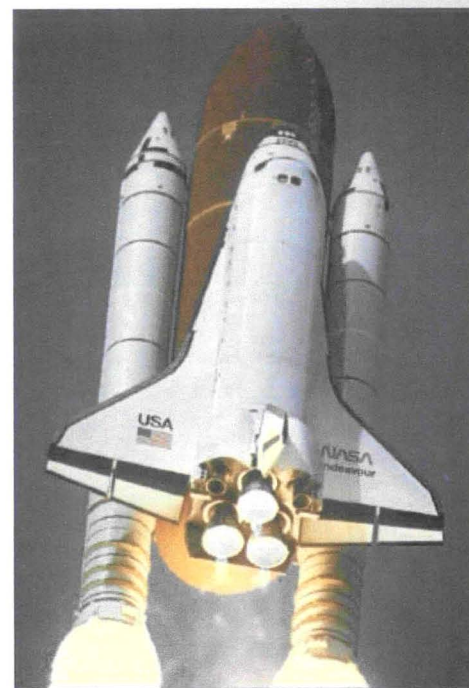
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# Lessons Learned - Branding continued...

- It's more than just a logo-----it's the perceptions, feelings, and attitude people have toward your product/service/organization



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- Key - Do a better job of sharing the stories, experiences, and accomplishments that make up your brand so that you remain relevant

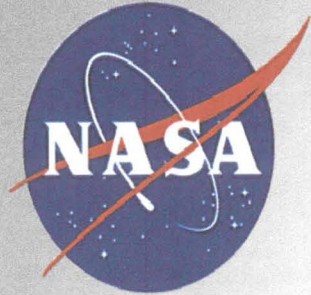
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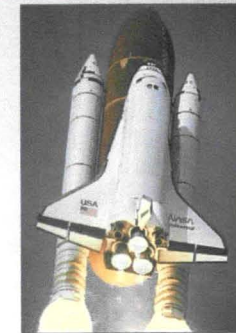


# Lessons Learned – Branding continued...

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is not **Nassau** and not just



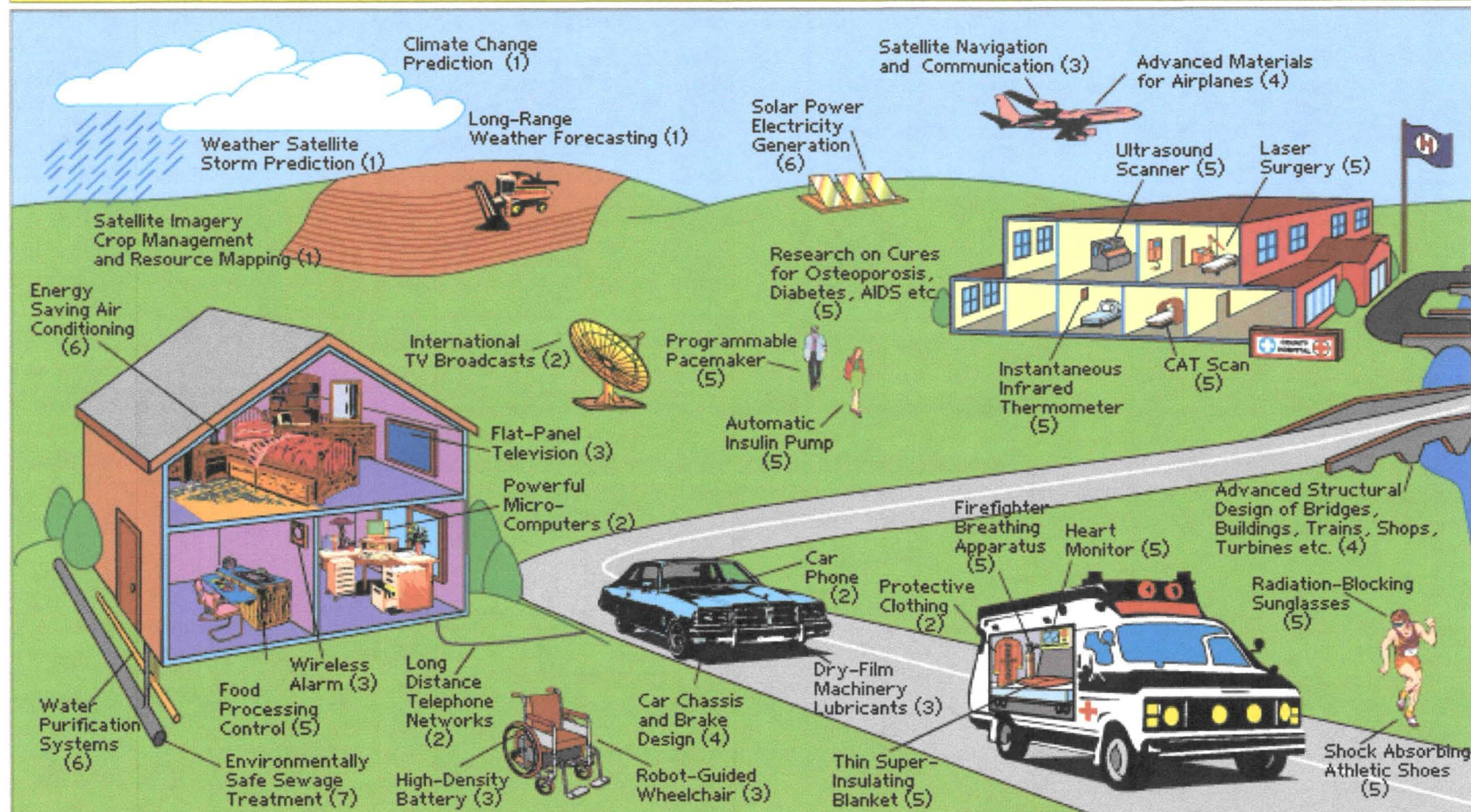
- NASA has 10 Centers across the country with missions in aeronautics, exploration, science and space operations
- Since 1976, more than 1,300 documented NASA technologies have benefited U.S. industry, improved our quality of life and created jobs for Americans
  - Called "spinoffs" because industry has transferred NASA technology and applied it to commercial products
  - Space Shuttle Program has generated more than 100 technology spinoffs, utilized by medical, environmental, automotive, sports, computer and refrigeration markets

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# "Why On Earth Do We Spend Tax Dollars On Space?"

(1) Agriculture (2) Education & Workforce (3) Science & Technology (4) Transportation & Infrastructure  
(5) Health & Medicine (6) Energy & Natural Resources (7) Environment & Public Works



**Each dollar invested in space programs yields many new products, technologies and processes on Earth.**

For more information explore these web sites: [NASA Spinoffs Magazine](#) and [KSC Technology Commercialization Office](#)

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# Lessons Learned – Branding continued....

## HR Role in Branding:

- Distinguish your company at recruiting events and in employment ads and handle applicants as customers
- Partner with universities to create internships that offering meaningful work experience
- Ensure employee behavior is aligned with the brand promise
  - It's not the words or symbol of the brand that make the companies reputation: It's the people
- Help ensure that all of the large and small actions people take every day, throughout the organization, fall in line with the brand strategy
- Make sure training and development programs, performance management systems, and reward and compensation programs are designed to reinforce and promote "brand behavior"
- Partner with your marketing department to do outreach to increase community and client awareness of your products and services





# Lessons Learned – Balance

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## #3 – Balance company and employee needs

- Develop a well thought-out plan to implement workforce reductions
  - Reductions should be based on strategic workforce plan
  - If change is short-term, mitigate impact through temporary cost reductions (hiring freeze, compressed work week, mandatory vacation, salary reductions)
  - For long-term change, mitigate impact with voluntary reductions and severance packages
  - Management should support HR as the primary resource for development and implementation of plan
- Communicate
  - Provide as much notice as possible
  - Educate employees about the impending changes in the company/organization and the services available to them





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# Lessons Learned – Balance continued...

- Treat employees with compassion (3 wishes)
  - Respect identity (don't avoid the "soon-to-be displaced")
  - Provide closure (solicit their input – they want to help ensure work gets done right even after they are gone)
  - Focus on process (business aspect of downsizing – not emotional "I'm sorry...")
- Help people put their best foot forward as they leave
  - They are a reflection of your company
  - One day you may need them to return



# Best Practices

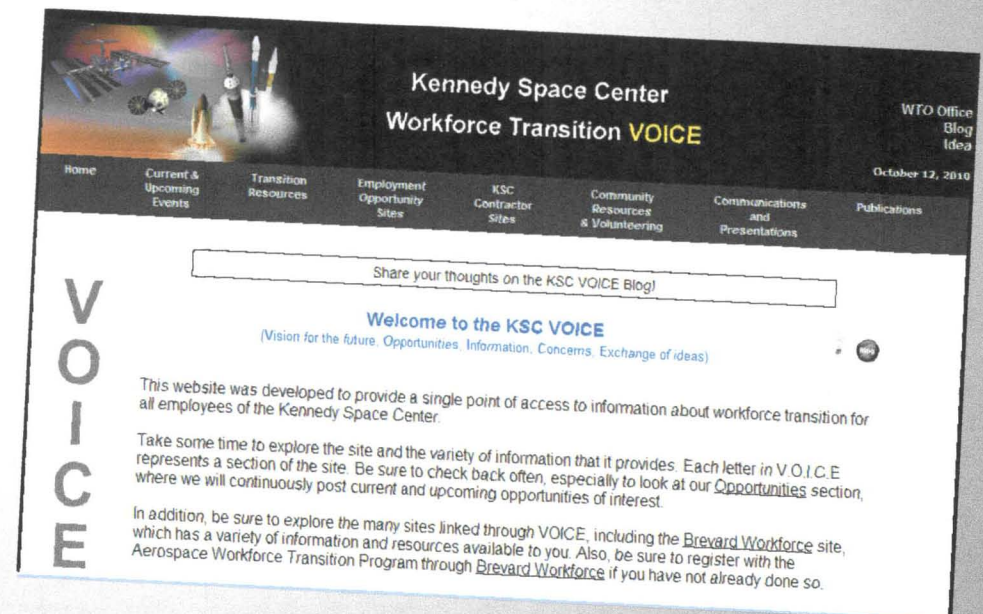
- Engage existing resources (cost-effective, knowledgeable, familiar)
  - In-house HR specialists staff Workforce Transition Offices and teach classes
- Go where your clients are
  - Workforce Transition Offices proximal to employee worksites and accessible post-layoff
  - Mobile Job Link Express
- Use branding to your advantage and get the word out
  - Great interest in space program encourages media attention
  - Capitalize on opportunity to promote talent, capabilities and initiatives
  - Make sure employees are prepared to deliver on what the brand stands for





## Best Practices continued...

- Consistent and continuous communication
  - VOICE Website (Vision for the Future, Opportunities, Information, Communication and Exchange of Ideas) – marketed as single-source of transition information
  - All levels of management engage employees
    - Monthly newsletter from Shuttle Program Manager
    - All-hands meetings hosted by Center Director and Contractor leadership
    - Center Director's blog
    - One-on-one communication with employees







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# Summary

- What distinguished us from any other company facing tough economic times?
  - We have a world-wide reputation
  - The workforce is an untapped resource and is highly regarded for their unique talent, dedication and commitment to a phenomenal feat of putting humans in space as well other contributions in the advancement of technology
  - We capitalized on this appeal to encourage employers to take advantage of these resources
  - We partnered with stakeholders to make a difference
- How did HR make a difference?
  - We offered to lead the transition efforts
  - We had the vision and the connections
  - We delivered results just like we have done in the past





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# Questions?

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